



U.S. Department of Justice

United States Attorney  
District of Minnesota



FXH

234 United States Courthouse  
Minneapolis, Minnesota 55401

FTS/781-7430  
612/332-8961

August 17, 1981

Edward J. Schwartzbauer  
Dorsey, Windhorst, Hannaford,  
Whitney & Halladay  
2300 First National Bank Building  
Minneapolis, Minnesota 55402

Re: United States v. Reilly Tar & Chemical Corporation  
Civil No. 4-80-469

Dear Mr. Schwartzbauer:

In our February 25, 1981 letter to you, this office advised you that the U.S. Environmental Protection Agency (EPA) intended to undertake some planning and investigation measures at the former Reilly Tar & Chemical Corporation site in St. Louis Park, Minnesota, and we offered your client, Reilly Tar & Chemical Corporation, the opportunity to undertake those measures in place of EPA. By letter, dated March 3, 1981, you declined that opportunity.

EPA has now expended funds to undertake the planning and investigation measures discussed in the February 25, 1981 letter. The State of Minnesota recently received a \$200,000.00 grant from EPA, and it is anticipated that EPA will soon transfer an additional \$200,000.00 to the State, for preparation of plans and specifications for three aspects of cleanup of the Reilly Tar site, namely (1) on-site well abandonment, (2) off-site well abandonment, and (3) upgrading of the St. Louis Park water treatment methodology using bench and pilot study tests of well #15. It is also probable that substantial additional federal funds will be expended.

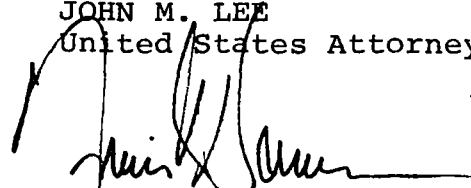
As a person who may be liable under Section 107 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, P.L. 96-510, for all costs of removal or remedial action incurred by the United States Government, demand is hereby made upon Reilly Tar & Chemical Corporation for payment of the \$200,000.00

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thus far expended by EPA. Please promptly respond in writing to this office concerning Reilly Tar's willingness to pay the federal government the costs it has incurred.

Sincerely,

JOHN M. LEE  
United States Attorney

A handwritten signature in dark ink, appearing to read "Francis X. Hermann", is written over the typed name and title.

BY: FRANCIS X. HERMANN  
Assistant United States Attorney

cc: Erica L. Dolgin  
Richard W. Emory, Jr.  
✓ Robert Leininger  
Lucy Sibold  
Dennis Coyne  
Reilly Tar & Chemical Corp.